

it may be located, and for branches in cities, towns or villages in which it proposes to establish branches; provided, however, that no branch shall hereafter be established by any trust company, in the city, town or village where said trust company is now located and engaged in business, until said trust company conforms to the requirements herein provided as to the minimum amount of surplus and capital stock for a trust company in said city, town or village.

SEC. 3. *And be it further enacted,* That Sections 70 and 71 of Article 11 of the Annotated Code of Public General Laws of Maryland, entitled "Banks and Trust Companies," sub-title "General Regulations," be, and the same are hereby repealed and re-enacted, with amendments, so as to read as follows:

70. The Board of Directors of a bank or trust company may declare a dividend from so much of its net profits or from its surplus in excess of twenty per cent. (20%) of its required capital, after providing for expenses, losses, interest and taxes accrued or due from said bank or trust company, as they shall deem expedient. Any losses sustained in excess of any undivided profits may be charged to its surplus account; provided, that its surplus fund, if at any time below twenty per cent. (20%) of the required capital, shall thereafter be reimbursed from its net earnings, and no dividends shall be declared or paid in excess of one-half of its net earnings, unless or until its surplus fund shall be fully restored to the amount of twenty per cent. (20%) of its capital as required by the provisions of this Article. For the purposes of this section the term "bank" shall include savings institutions having a capital stock.

71. No dividend shall be declared or paid by the directors except out of the net profits or surplus in excess of its required capital properly applicable thereto, as provided in Section 70 of this Article, and if any such dividend shall be paid, every stockholder receiving the same shall be liable to restore the full amount thereof, unless the capital and the surplus to the extent required by Section 70 is subsequently made good; and if the directors shall knowingly pay any dividend when the corporation is insolvent or in danger of insolvency, or not having reason to believe that there were sufficient net profits or surplus properly applicable thereto to pay the same without impairing or diminishing